

**City of Miami Beach – Committee of the Whole Meeting  
City Manager's Large Conference Room  
1700 Convention Center Drive  
September 3, 2002**

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Mayor David Dermer in at 1:56:24 p.m.  
Vice-Mayor Richard L. Steinberg out at 3:05 p.m.  
Commissioner Matti Herrera Bower  
Commissioner Simon Cruz  
Commissioner Luis R. Garcia, Jr.  
Commissioner Saul Gross  
Commissioner Jose Smith

City Manager Jorge M. Gonzalez  
City Attorney Murray H. Dubbin  
City Clerk Robert E. Parcher

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**ATTENTION ALL LOBBYISTS**

**Chapter 2, Article VII, Division 3 of the City Code of Miami Beach entitled "Lobbyists" requires the registration of all lobbyists with the City Clerk prior to engaging in any lobbying activity with the City Commission, any City Board or Committee, or any personnel as defined in the subject Code sections. Copies of the City Code sections on lobbyists laws are available in the City Clerk's office. Questions regarding the provisions of the Ordinance should be directed to the Office of the City Attorney.**

**Committee of the Whole Meeting  
Budget Related Issues**

Meeting called to order at 1:43:18 p.m.

Meeting requested by Commissioner Gross.

Jorge Gonzalez, City Manager, apologized for the short notice on the meeting and stated that the meeting was requested by Commissioner Gross to discuss budget issues.

**1:44:17 p.m.**

Commissioner Gross stated that there are three issues that need discussing:

- 1) Internal Budget of the Mayor's Office.
- 2) City Attorney's Office Budget
- 3) Long term planning on how to deal with budget questions.

**1. Mayor's Office Budget:**

Commissioner Gross stated that the Administration did a good job reviewing the budget. There was a lengthy discussion as to what could be done to improve the staffing of the Mayor's office and the role of the Office Manager.

Mayor Dermer stated that a rotating schedule would be established to staff the receptionist position.

Jorge Gonzalez, City Manager, stated that it would be helpful if the Commissioners collectively establish standards and have the staff abide by them. Also, set up certain requirements for the front desk coverage, and a minimum-staffing standard during lunch, etc.

Commissioner Gross stated that the Office Manager is not strong enough.

Commissioner Smith stated that the problem is a structural problem and not a personality problem.

Mayor Dermer stated that he will speak with the Office Manager and will give him the authority to manage the secretary pool.

Commissioner Gross requested that there be better communication between the City Manager and the Mayor's office as to when meetings are scheduled or rescheduled, etc.

Jorge Gonzalez, City Manager, stated there was better communication when he dealt directly with the Chief of Staff for scheduling and relied on the Chief of Staff to communicate the information to the rest of the office staff.

Mayor Dermer stated that the City Manager's Office should communicate with the Office Manager and with Elizabeth Stadtlander. The Mayor will speak with them about this responsibility.

The discussion continued as to how the budget could be reduced.

Jorge Gonzalez, City Manager, stated that the only savings that will be realized is the deferral of the vacant position for a full year.

Commissioner Cruz stated that the only variable cost is "memberships and travel". He is willing to give up any membership that he has.

Mayor Dermer stated that The U.S. Conference of Mayors membership is necessary.

Jorge Gonzalez, City Manager, stated that in these organizations is where legislative decisions are made and the City of Miami Beach is a major municipality.

Commissioner Cruz stated that if we make use of what these organizations offer then it is worth it to keep them.

Commissioner Gross requested that his budget for travel be reduced by \$1,000.

**2. City Attorney's Budget:**

Mayor Dermer invited the Commissioners to participate in the City Attorney's Oversight Committee. Commissioners Smith and Bower are participating.

Commissioner Smith stated that the City Attorney's office is regulated by the City Charter and the City Commission should be reviewing and approving their budget instead of the City Manager.

Jorge Gonzalez, City Manager stated that he does not evaluate the City Attorney's Office budget. It is included in the budget book with the rest of the departments. The City Attorney has been talking with Patricia Walker, Financial Officer. The City Manager does not want anybody to think that the City Attorney has not been a player in reducing the budget.

Commissioner Gross stated that there should be a realistic assessment of what the outside counsel legal fees are going to be. There should be an estimate of what other cases may come up based on historical experience. The City needs to know what is the actual cost.

Murray Dubbin, City Attorney, is concerned about the Miami-Dade County auditors auditing the RDA fund. He would like to review and evaluate more closely the funds spent from the RDA towards the Legal Department's budget.

Jorge Gonzalez, City Manager, stated that the City Attorney's office reduced their budget by the 5 %, the same as the rest of the departments.

Commissioner Gross stated that outside legal fees is the largest amount in the budget besides salaries. He feels that outside legal fees was arbitrarily cut down and that the Commission does not really know how much is paid to outside counsel.

Commissioner Cruz stated the City need to get control of the legal fees. A policy decision needs to be made, as to what is in the best interest of the City, because this is impacting on our budget.

Commissioner Gross requested a quarterly report of the payments to outside counsel.

Mayor Dermer requested for the Legal Department to provide, on a quarterly basis during the closed Executive Session, a status report on the cost of outside counsel.

Murray Dubbin, City Attorney, explained that having this reported during the Executive Session might jeopardize litigations in process.

Commissioner Smith agreed with Mr. Dubbin but suggested that Mr. Dubbin meets with each commissioner individually to discuss legal issues and how much money is being spent on each case.

Vice-Mayor Steinberg suggested a series of Executive Session each one to cover a set period of time and go through one case at a time.

Mayor Dermer stated that he has some recollection of some type of sharing of work with other government attorney's with Dade County or other municipalities.

Murray Dubbin, City Attorney, stated that he would explore this possibility.

Commissioner Bower asked how is the outside counsel obtained. What is the process used?

Murray Dubbin, City Attorney, stated that he looks at the nature of the litigation and he tries to decide who can do the job at the lowest fee. He does negotiate. He contacts more than one firm.

Commissioner Gross questioned whether it is better to have somebody in house specializing with construction litigation for the CIP office or have outside counsel.

Commissioner Smith stated that in his opinion it is better to have outside counsel for that type of litigation. The reason for outside counsel is because you have the benefit of the use of the entire staff, paralegals, attorneys, etc.

Commissioner Bower stated that a lot of the litigation issues that we find ourselves into could be controlled by the contract. The City should have the documents revised at the front end of the process to prevent litigations.

Commissioner Cruz asked what will be more efficient, to outsource everything or to have this done in house?

Murray Dubbin, City Attorney, stated that if we can do it in house, it is much more efficient and less expensive and he can control it better also. The problem is that there is not enough work in these areas; since this is sporadically it is more efficient to go outside. He consulted with the City of Miami on the construction lawyer and they hire somebody from Ft. Lauderdale. Every municipality has to face this problem.

Mayor Dermer requested to know how much does the City pay out in judgments.

Commissioner Smith asked what method is used to review the bills that come from outside counsel?

Murray Dubbin, City Attorney, stated that he reviews every bill and then he submits it to the person handling the case. He stated that he looks for things charged by the attorney that could have been done by a secretary, etc.

Commissioner Smith stated that insurance companies give a budget to attorneys and they know that the company will not go over a certain amount. He stated our legal department should do this with our outside counsel, cap the fees.

Commissioner Bower suggested having a pool of attorneys that the City has used that are competent and the price is right and rotate among those attorneys.

Murray Dubbin, City Attorney, stated that this would be difficult to do because of so many different disciplines required to have so many attorney with the specific expertise.

Jorge Gonzalez, City Manager, stated that the conflict of interest also comes into play with this rotation of attorneys. He added that the discussion of revenue/expenditure projection is helpful when doing union negotiations. This will help guide how the City approaches the union negotiations. This helps collectively as a body what direction to take.

Commissioner Cruz stated that he welcomes a retreat to interchange ideas. This will help them make tough decisions that will impact the future of the City. We need to sit down and look at our budget because the City has very serious issues in certain departments and issues that need to be looked at in the long term.

Jorge Gonzalez, City Manager, stated that the retreat would take place at the end of the calendar year either in November or December. There are pension and insurance issues that need handling. The pension issue is a multi million-dollar issue that needs to be handled collectively. We collectively need to decide how we are going to make those pension and insurance changes. It is better to deal with these issues now and have a plan for the next five years. He asked for suggestions for the location for this retreat.

Meeting adjourned at 3:58:07 p.m.